



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
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<http://www.epa.gov/region08>

Ref: 8P

JUN 21 2006

Dear Reader:

The Bureau of Indian Affairs (BIA) and U. S. Environmental Protection Agency (EPA) have prepared the enclosed draft Environmental Impact Statement (EIS) for the *Mandan, Hidatsa and Arikara Nation's Proposed Clean Fuels Refinery Project*. The document analyzes the potential environmental effects of two federal agency decisions: (1) whether BIA should accept lands into trust in support of the MHA Nation's proposal to construct and operate a clean fuels refinery and produce buffalo forage and (2) whether EPA should issue a Clean Water Act, National Pollutant Discharge Elimination System (NPDES) permit to the refinery. A draft NPDES permit for the proposed refinery is also enclosed as an appendix to the EIS. Additional copies of the draft EIS and draft NPDES permit are also available for public inspection at the following locations:

BIA Regional Offices
115 4th Avenue, SE
Aberdeen, SD

BIA, Fort Berthold Agency
202 Main Street
New Town, ND

Four Bears Segment Office
404 Frontage Road
New Town, ND

EPA Region 8 Library
999 18th Street, 1st Floor
Denver Place Building
Denver, CO

Twin Butte Segment Office
79 E. Avenue, NW
Halliday, ND

White Shield Segment Office
1620 61st Avenue, NW
Roseglen, ND

Three Affiliated Tribes
Legal Department &
Office of the Secretary
404 Frontage Road
New Town, ND

Parshall Segment Office
315 2nd Street, SE
Parshall, ND

Mandaree Segment Office
4th Ave. NE, Ridge Rd.
Mandaree, ND

Rensch Garage
121 Main St. N.
Makoti, ND

North Segment Office
710 East Avenue
New Town, ND

The draft EIS and draft NPDES permit are also available on EPA Region 8's web site, <http://www.epa.gov/region8/compliance/nepa> and the Mandan, Hidatsa and Arikara Nation's web site, <http://www.MHANation.com>.

We recommend that you begin by reading the Preface to the draft EIS, which will orient you to the general outline of the document and the EIS Summary. The NPDES permit Fact Sheet explains the basis for the permit limits.

Neither BIA nor EPA has selected a preferred alternative for this project. The preferred alternative will be identified after reviewing comments on the draft EIS; prior to finalizing the EIS. The preferred alternative for each agency will be identified in the final EIS along with responses to comments received on the draft EIS.

National Environmental Policy Act (NEPA) regulations and agency directives require BIA and EPA to make this draft EIS available to the public for review. This review provides the public with an opportunity to comment on the content of the document and; therefore, potentially affect the final EIS and the decisions BIA and EPA will make after release of the final EIS. Furthermore, BIA and EPA are required to respond in the final EIS to all substantive comments submitted on the draft EIS. To be considered substantive, comments should (1) give new information that could alter conclusions; (2) show why or how analysis or assumptions are flawed; (3) show errors in data, sources or methods; or (4) request clarifications of the assessment that bear on conclusions.

Public comment on this draft EIS and draft NPDES permit will be accepted now through the end of the comment period published by EPA in a Notice of Availability in the *Federal Register*. The public comment period is scheduled from June 30 through August 29, 2006. BIA will publish a second *Federal Register* notice listing the dates and locations of seven public hearings to be held in the area surrounding the proposed refinery site. Information on the public hearings is also on the web sites listed above and in a notice announcing the comment period and public hearings that will be sent to all parties on the project mailing list. Comments will be taken during the public hearing.

Written comment should be sent to:

Draft EIS

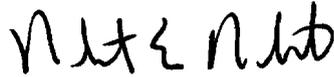
Diane Mann-Klager
Great Plains Regional Office
Bureau of Indian Affairs
115 4th Avenue SE,
Aberdeen, South Dakota 57401
Fax 605-226-7358

Draft NPDES permit

Bruce Kent
U.S. EPA Region 8 (8P-W-P)
999 18th Street, Suite 300
Denver, Colo. 80202-2466

Please retain this copy of the draft EIS for future reference. If you have any questions or require additional copies of this document, please contact Diane Mann-Klager, BIA, (605) 226-7621 or Monica Morales, EPA, (303) 312-6936 or 1-800-227-8917, ext. 6936. Questions on the draft NPDES permit may be directed to Bruce Kent, EPA, (303) 312-6133 or 1-800-227-8917, ext. 6133.

Sincerely,



Robert E. Roberts
Regional Administrator





**U.S. Department of the Interior
Bureau of Indian Affairs**
Great Plains Regional Office

**U. S. Environmental
Protection Agency**
Region 8



June 2006

**Draft Environmental Impact Statement for the
Mandan, Hidatsa,
and Arikara Nation's
Proposed Clean Fuels Refinery Project**

**Draft Environmental Impact Statement for the
Mandan, Hidatsa, and Arikara Nation's
Proposed Clean Fuels Refinery Project**

Lead Agencies:	Bureau of Indian Affairs Great Plains Regional Office Aberdeen, South Dakota
	Environmental Protection Agency Region 8 Office Denver, Colorado
Cooperating Agency:	U.S. Department of the Army Corps of Engineers Regulatory Office Bismarck, North Dakota
Cooperating Sovereign Nation:	Mandan, Hidatsa, and Arikara Nation New Town, North Dakota
For Further Information, Contact:	Diane Mann-Klager Bureau of Indian Affairs 115 4 th Avenue S.E. Aberdeen, South Dakota 57401 605-226-7621

Abstract

The Three Affiliated Tribes representing the Mandan, Hidatsa, and Arikara Nation (MHA Nation) is a sovereign Indian nation with inherent powers of self-government. The MHA Nation has requested that the United States Department of the Interior, Bureau of Indian Affairs (BIA) accept 469 acres of land into trust status for the Tribes. This land is located within the Fort Berthold Indian Reservation boundaries. The land proposed to be taken into trust is located in the northeast corner of the Fort Berthold Indian Reservation along the south side of North Dakota Highway 23, about 2 miles west of the turnoff to Makoti, North Dakota in Sections 19 and 20 of Township 152 North, Range 87 West.

The MHA Nation propose to construct and operate a new 15,000 barrel per day clean fuels refinery and grow hay for buffalo on the Fort Berthold Indian Reservation located near Makoti, North Dakota. The MHA nation would own the refinery. The proposed facility would refine synthetic crude oil from Canada into gasoline and diesel fuels. The MHA nation has also applied to the U. S. Environmental Protection Agency for a Clean Water Act, NPDES wastewater discharge permit for the refinery. The refinery would be considered a “new source” under the NPDES permit regulations.

Preface

This document follows the format established in the National Environmental Policy Act's regulations (Title 40 Code of Federal Regulations Parts 1500 to 1508). The following paragraphs outline information contained in the chapters and appendices so readers may find the areas of interest without having to read the entire document.

- *Summary*: contains a short, simple discussion to provide the reader and the decision makers with a sketch of the more important aspects of the Environmental Impact Statement (EIS). The reader can obtain additional, more detailed information from the text of the EIS.
- *Chapter 1 — Purpose and Need*: identifies and describes the purpose of and need for the proposed action, decisions to be made by the agencies, their roles and responsibilities, the National Environmental Policy Act (NEPA) process, and other permits required.
- *Chapter 2 — Public Participation, Issue Identification, and Alternatives*: describes the public participation process, including the scoping and issue identification processes, the Proposed Action, the significant or key issues associated with the Proposed Action, and alternatives, including the no action alternative. The agencies developed action alternatives that meet the purpose and need in response to one or more of the key issues. Alternatives considered but eliminated from detailed consideration are identified along with the rationale for excluding them from the analysis. This chapter also provides a comparative analysis of the environmental effects of the alternatives to provide a clear basis of choice among options for the decision maker and the public.
- *Chapter 3 — Affected Environment*: describes the present condition of the environment that would be affected by implementation of the proposed action or any action alternative.
- *Chapter 4 — Environmental Consequences*: describes the probable direct, indirect, and cumulative effects to the human environment that would result from implementing the Proposed Action or alternatives. The discussion also addresses the short-term uses versus long-term productivity, unavoidable impacts, and irreversible or irretrievable impacts. Mitigation measures for the proposed project are identified.
- *Chapter 5 — Consultation with Others*: identifies the agencies, companies, and organizations consulted, as well as the cooperating agencies.
- *Chapter 6 — Preparers and Contributors*: identifies the people involved in research for, writing, and internal review of the draft EIS.
- *Chapter 7 — Distribution and Review of the Draft EIS*: lists the agencies, organizations, and individuals who received a copy of the draft EIS.

- *Chapter 8 — Glossary: describes the technical terms used in the draft EIS.*
- *Chapter 9 — References Cited: lists the references cited in the draft EIS.*
- *Appendices: contain technical and non-technical information that is important to full comprehension of the NEPA analysis, but that was too long to be included in the primary chapters.*
- *Technical Reports: contain technical information associated with air emissions, hazardous waste, wetlands, water resources, etc. These reports are not in this document, but are available online and upon request.*

Acronyms and Abbreviations used in this EIS

23B	Williams-Zahl Loams (3–6% slopes)
24C	Williams-Zahl Loams (6–9% slopes)
24E	Zahl-Williams Loams
49B	Manning Sandy Loam
54E	Wabek Loam
AADT	Annual Average Daily Traffic
ACOE	U.S. Army Corps of Engineers
AMSL	Above Mean Sea Level
APLIC	Avian Power Line Interaction Committee
bb1	Barrels
BIA	U.S. Department of Interior, Bureau of Indian Affairs
BMP	Best Management Practices
BoB	Bowbells-Tonka Loams
BPSD	barrels per stream day
C5+	Pentanes
CAA	Clean Air Act
CAS	Chemical Abstracts Service
CEQ	Council on Environmental Quality
CFR	Code of Federal Regulations
cfs	cubic feet per second
CO	Carbon Monoxide
CPR	Canadian Pacific Railway
CWA	Clean Water Act
DAF	Dissolved Air Flotation
DEA	Diethanolamine
DIB	Deisobutanizer
EIS	Environmental Impact Statement
EPA	U.S. Environmental Protection Agency
ESA	Endangered Species Act
FAA	Federal Aviation Administration
FAC	Facultative
FACU	Facultative Upland
FACW	Facultative Wetland
FAR	Federal Acquisition Regulations
FEMA	Federal Emergency Management Agency
FWS	U. S. Fish and Wildlife Service
GIS	Geographic Information System
gpd	gallons per day
gpm	gallons per minute
H ₂	Hydrogen
H ₂ S	Hydrogen Sulfide
HAPET	Habitat and Population Evaluation Team
HAPS	Hazardous Air Pollutants
HC	Hydrocarbon
HF	Hamerly Loam
I-94	Interstate Highway 94
iC4	Isobutane
iC4=	Isobutylene
iC8	Iso-octane
iC8=	Iso-octene
IHS	Indian Health Services
IRA	Indian Reorganization Act of 1935
LQG	Large Quantity Generator

MCL	Maximum Contaminant Level
mg/L	milligrams per liter
MHA Nation	Mandana, Hidatsa, and Arikara Nation
MMSCFD	million standard cubic feet per day
MOU	Memorandum of Understanding
MStP&SSM	Minneapolis, St. Paul, and Sault Ste. Marie
MW	megawatt
NAAQS	National Ambient Air Quality Standards
nC4	Normal Butane
NDAWN	North Dakota Agricultural Weather Network
NDDH	North Dakota Department of Health
NDDOT	North Dakota Department of Transportation
NDSWC	North Dakota State Water Commission
NEPA	National Environmental Policy Act
NH ₃	Ammonia
NHT	Naphtha Hydrotreater
NO ₂	Nitrogen Dioxide
NOI	Notice of Intent
NO _x	Oxides of Nitrogen
NPDES	National Pollutant Discharge Elimination System
OBL	Obligate
OSHA	Occupational Safety and Health Administration
PA	Parnell Silty Clay Loam
PCB	Polychlorinated Biphenyls
PGA	Peak Ground Acceleration
PLS	Pure Live Seed
PM ₁₀	Particulate Matter less than 10 micrometers in diameter
PNA	Polynuclear Aromatics
PPR	Prairie Pothole Region
PSA	Pressure Swing Adsorption
PSD	Preventions of Significant Deterioration
RCRA	Resource Conservation and Recovery Act
ROD	Record of Decision
RONC	100 Research Octane Number Clear
SAR	Sodium Adsorption Ratio
SDWA	Safe Drinking Water Act
SH23	State Highway 23
SHPO	State Historic Preservation Officer
SMR	Steam Methane Reformer
SO ₂	Sulfur Dioxide
SPCC	Spill Prevention, Control, and Countermeasure
SQG	Small Quantity Generator
SWPPP	Storm Water Pollution Prevention Permit
SWMU	Solid Waste Management Unit, RCRA definition
SWS	Sour Water Stripper
TDS	Total Dissolved Solids
TMDL	Total Maximum Daily Load
TPO	Tribal Preservation Officer
TSD	Treatment, Storage, and Disposal
UIC	Underground Injection Control
ULSD	Ultra-low Sulfur Diesel
ULSK	Ultra-low Sulfur Kerosene
US 83	U.S. Highway 83
USACE	U.S. Army Corps of Engineers
USDA	U.S. Department of Agriculture
USGS	U.S. Geological Survey

VOC	Volatile Organic Compound
W1B	Williams Loam (4–6% slopes)
W1C	Williams Loam (3–6% slopes)
WRP	Water Recycle Plant
WWTP	Wastewater Treatment Plant
WWTU	Waste Water Treatment Unit, RCRA definition
ZmC	Zahl-Max Loams
$\mu\text{g}/\text{m}^3$	micrograms per cubic meter
$\mu\text{S}/\text{cm}$	micro Siemens per centimeter

